

LISTING STATEMENT No. 1238

LISTED NOVEMBER 23, 1942.

84,600 common shares without par value.

Ticker Abbreviation FN

AUG 26 1960

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

THE FOUNDATION COMPANY OF CANADA LIMITED

An operating and holding company incorporated by Letters Patent issued under the Companies' Act (Canada) on September 22nd, 1924.

COMMON SHARES WITHOUT PAR VALUE (VOTING)

(Certificates transferable in Toronto and Montreal)

CAPITAL SECURITIES AS AT NOVEMBER 14TH, 1942

STOCK	Par Value	Number of Shares Authorized	Number of Shares Issued	Number of Shares to be Listed
Common.....	None	150,000	84,600	84,600

FUNDED DEBT

None.

Montreal, November 14th, 1942.

1. THE FOUNDATION COMPANY OF CANADA LIMITED (hereinafter referred to as the "Company") hereby makes application for the listing on The Toronto Stock Exchange of its issued and outstanding capital stock, comprising 84,600 shares without par value.

HISTORY OF COMPANY

2. The company was incorporated in 1924 with a Dominion charter to take over the Canadian business, equipment and yards of The Foundation Company, a United States corporation. At that time Canadian interests acquired control of the company and subsequently acquired all of the then remaining American interest. The business has been operated continuously in Canada, by the company or its predecessor, for upward of 30 years.

This listing statement is a copy of the listing application made by the applicant company. The Exchange has received no consideration in connection with the issue of this listing statement other than the customary listing fee. The papers and exhibits submitted by the applicant company in support of the listing application are open for inspection at the general office of the Exchange.

NATURE OF BUSINESS OF THE COMPANY AND ITS SUBSIDIARIES

3. The Foundation Company of Canada Limited carries on business as general contractors throughout Canada, and through its wholly-owned subsidiary companies is engaged in the purchase and sale of contractors' plant and machinery, and in maritime towing and extensive salvage operations.

The Foundation Company of Ontario Limited carries on a business of general contracting and engineering, primarily in the Province of Ontario.

The Foundation Company (Quebec) Limited carries on a business of general contracting and engineering, primarily in the District of Montreal.

Foundation Maritime Limited carries on a business of general contracting and engineering, primarily in the Maritime Provinces. It also engages in the marine salvage business in the Gulf and River St. Lawrence and in the Atlantic Ocean. It owns and operates derrick boats, tugs, barges and other vessels required in the construction and allied businesses. It owns and operates a ship-repair establishment in Halifax and operates a shipyard at Pictou.

Maritime Towing & Salvage Limited owns and operates ocean-going and harbour tugs based on Halifax and owns and operates wharves at Halifax.

Construction Equipment Company Limited engages in the business of buying, selling and renting construction and other plant and equipment and manufactures lines suitable for production in the Company's shops. It owns and operates storage and warehousing facilities and facilities for the repair of construction plant at Dorval and Montreal in Quebec and operates similar establishments in Toronto and Halifax.

The Preload Company of Canada Limited specializes in the design and construction of prestressed concrete structures, such as tanks, reservoirs, pipe lines and penstocks, beams and girders, etc. The Preload System is a new development and offers many advantages, both economical and structural, in the field of reinforced concrete design.

PARTICULARS OF INCORPORATION AND CHARTER CHANGES

4. The Company was incorporated under the Companies' Act (Canada) by Letters Patent dated September 22nd, 1924, with an authorized capitalization of \$950,000.00, divided into 4,000 shares of 7% 1st cumulative preference stock of a par value of \$100 each, 2,500 shares of 7% 2nd cumulative preference stock of a par value of \$100 each and 12,000 shares of common stock of a par value of \$25 each. By Supplementary Letters Patent dated March 14, 1929, the authorized capital was reduced from \$950,000 to \$910,000, the decrease being effected by the cancellation of 400 shares of 7% 1st cumulative preference stock. Further Supplementary Letters Patent were issued on May 25th, 1929, confirming an arrangement between the Company and its shareholders, which had been sanctioned by the Superior Court of the Province of Quebec, under which the 3,600 shares of 7% 1st cumulative preference stock then issued and outstanding were converted into 21,600 shares of common stock without par value on a basis of 6 shares for 1; the 2,500 shares of 7% 2nd cumulative preference stock then issued and outstanding were converted into 15,000 shares of common stock without par value on a basis of 6 shares for 1; the 12,000 shares of common stock then issued and outstanding were converted into 48,000 shares of common stock without par value on a basis of 4 shares for 1; and the authorized capital stock, as varied by these conversions, was increased from 84,600 shares of common stock without par value to 150,000 shares of common stock without par value by the creation of 65,400 additional shares.

SHARES FULLY PAID AND NON-ASSESSABLE

5. A certificate of MacDougall, Macfarlane, Scott & Hugessen, Advocates, Barristers, etc., of Montreal, Quebec, dated November 13th, 1942, that the Company is a valid and subsisting corporation and that all of its issued and outstanding capital stock, consisting of 84,600 shares without par value, are fully paid and non-assessable has been filed with the Exchange.

STOCK PROVISIONS AND VOTING POWERS

6. In accordance with the provisions of the Companies' Act (Canada) holders of the common stock are entitled to one vote for each share held.

DIVIDENDS

7. OLD STOCK—The Company paid regular dividends of 7% per annum on its 1st and 2nd cumulative preference shares of \$100 par value each from the time of its incorporation until these shares were converted into common shares without par value. No dividend was paid on the old common shares of \$25 par value.

NEW STOCK—On the existing common shares without par value an initial dividend of 25 cents quarterly was paid on August 15th, 1929, and was maintained regularly at that rate to and including February 15th, 1932; for the quarter ended May 14th, 1932, the rate was 12½ cents, afterwards no payment was made until March 15th, 1934, when a 25 cent interim dividend was paid, followed by 50 cents on December 15th, 1937, and 50 cents on June 30th in 1938. Nothing was paid in 1939. On July 20th, 1940, quarterly dividends of 25 cents were resumed and were continued to the end of the second quarter of 1942, with an extra dividend of 25 cents on January 20th, 1942, and another extra of 25 cents on April 20th, 1942. On July 18th, 1942, the quarterly rate was increased to 35 cents and the recent dividend of October 17th, 1942, was at that figure. Dividends have consequently been as follows: 50 cents in 1929, \$1.00 in 1930, \$1.00 in 1931, 37½ cents in 1932, 25 cents in 1934, 50 cents in 1937, 50 cents in 1938, 50 cents in 1940, \$1.00 in 1941, \$1.70 in 1942.

OPTIONS AND UNDERWITTINGS

8. There are no outstanding underwriting, option, sales agreements, conversion privileges, purchase warrants or other contracts or agreements of like nature with respect to any of the outstanding capital stock.

FUNDED INDEBTEDNESS

9. None.

SUBSIDIARY COMPANIES

10. The list of subsidiary companies, all the issued capital stock of which, except the qualifying shares of the directors, are owned by the company, is as follows:

Name	How Incorporated	Authorized Stock	Par Value	Stock Issued	Owned by Applying Company
Construction Equipment Company, Limited	The Companies' Act, Canada	\$250,000	\$100.	125,000	100%
The Foundation Company (Quebec) Limited	The Companies' Act, Canada	\$ 30,000	\$100.	3,500	100%
The Foundation Company of Ontario Limited	Ontario Companies' Act	\$100,000	\$100.	25,000	100%
Foundation Maritime Limited	The Companies' Act, Canada	\$100,000	\$100.	100,000	100%
Maritime Towing & Salvage Limited	The Companies' Act, Canada	\$100,000	\$100.	70,000	100%
The Preload Company of Canada Limited	The Companies' Act, Canada	\$200,000	\$100.	100,000	100%

LISTING ON OTHER STOCK EXCHANGES

11. The shares of the Company are listed on the Montreal Stock Exchange.

SECURITIES COMMISSION REGISTRATION

12. No shares of the Company are being offered to the public and, consequently, no registration or approval of either the Ontario or Quebec Securities Commission is required.

NUMBER OF EMPLOYEES

13. As of the date of this application, the Company and its subsidiaries have approximately 11,000 employees.

FISCAL YEAR

14. The Company's fiscal year ends on December 31st.

ANNUAL MEETING

15. The annual meeting is held in Montreal at the call of the directors. The last annual meeting was held on April 23, 1942.

HEAD OFFICE

16. The head office of the Company is located at 1538 Sherbrooke Street West, Montreal, Quebec.

TRANSFER AGENT

17. The transfer agent of the Company is the Montreal Trust Company at Toronto and Montreal.

TRANSFER FEES

18. No transfer fee is charged upon transfers of the Company's shares, other than the customary Government stock transfer taxes.

REGISTRAR

19. The registrar of the Company is the Royal Trust Company of Toronto and Montreal.

AUDITORS

20. Price, Waterhouse & Co., Chartered Accountant, Montreal, Quebec.

OFFICERS

21.	Name	Position Held	Address
R. E. Chadwick.....	<i>President</i>	Montreal	
V. M. Drury.....	<i>Vice-President</i>	Montreal	
F. G. Rutley.....	<i>Vice-President</i>	Montreal	
V. G. Youngshusband.....	<i>Vice-President</i>	Montreal	
C. E. Gearson.....	<i>Secretary-Treasurer</i>	Montreal	
H. C. Link.....	<i>Assistant Secretary-Treasurer</i>	Montreal	

DIRECTORS

22.	W. F. Angus	Montreal
	D. A. Campbell.....	Toronto
	R. E. Chadwick	Montreal
	V. M. Drury.....	Montreal
	William Harty	Kingston
	Lawrence Macfarlane, K.C.	Montreal
	G. McG. Mitchell	Halifax
	F. G. Rutley	Montreal

CERTIFICATE

Pursuant to a resolution passed by the Board of Directors on October 29th, 1942, the Company hereby applies for listing of the above mentioned securities on the Toronto Stock Exchange and the undersigned officers of the Company hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.



THE FOUNDATION COMPANY OF CANADA LIMITED

"F. G. RUTLEY", *Vice-President*,
 "C. E. GREARSON", *Secretary*.

STATEMENT SHOWING NUMBER OF SHAREHOLDERS AS AT NOVEMBER 7th, 1942

Number	Shares
567 Holders of 1 - 100 share lots.....	21,118
39 Holders of 101 - 200 " "	6,646
20 Holders of 201 - 300 " "	5,593
13 Holders of 301 - 400 " "	4,680
7 Holders of 401 - 500 " "	3,370
15 Holders of 501 - 1000 " "	11,837
16 Holders of 1001 - up	31,356
677 Stockholders	Total Shares.....
	84,600

FINANCIAL STATEMENTS
THE FOUNDATION COMPANY OF CANADA LIMITED
CONSOLIDATED BALANCE SHEET, DECEMBER 31, 1941

ASSETS

Capital Assets at Cost:

Land and Buildings.....	\$ 390,458.38
Plant and Equipment	1,076,554.18
Marine Equipment	1,148,766.04
Furniture and Fixtures.....	31,000.29
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Goodwill.....	\$2,646,778.89
	1.00
	<hr/>
	\$2,646,779.89

Subsidiary Companies not Consolidated:

Investment.....	\$ 15,000.00
Advances.....	124,305.95
	<hr/>
	139,305.95

Current and Working Assets:

Cash in Banks and on Hand.....	\$1,069,099.52
Accounts Receivable.....	2,049,899.67
Deposits on Contracts	90,967.00
Investments in Uncompleted Contracts at cost.....	125,819.44
Tools and Supplies on hand, valued by the Management at the lower of cost or market prices	64,416.92
Investment in Dominion Government Bonds at cost (Quoted value December 31, 1941, \$186,820).....	\$186,046.25
Accrued Interest on Bonds.....	4,536.45
	<hr/>
Deferred Charges to Operations.....	190,582.70
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	\$3,590,785.25
	34,755.46
	<hr/>
	\$6,411,626.55

LIABILITIES

Capital Stock:

Authorized—150,000 Common Shares of No Par Value.	
Issued — 84,600 Common Shares of No Par Value.....	\$710,000.00

Current Liabilities:

Accounts Payable and Accrued Liabilities.....	\$2,465,355.72
Dividends declared payable January 20, 1942	42,300.00
Provision for Income, Excess Profits and other Taxes.....	337,247.87
Bank Loan.....	85,000.00
	<hr/>
	2,929,903.59

Reserves:

Depreciation.....	\$1,524,022.78
Uncompleted Contracts	61,335.42
Guarantee Reserve Fund.....	21,761.79
Fire and Marine Insurance.....	33,743.09
	<hr/>
	1,640,863.08

Earned Surplus:

As per statement attached	1,130,859.88
	<hr/>
	\$6,411,626.55

AUDITORS' REPORT TO THE SHAREHOLDERS

We have made an examination of the books and accounts of The Foundation Company of Canada Limited and its Wholly Owned Subsidiary Companies for the year ending December 31, 1941 (with the exception of Maritime Towing & Salvage Limited, the Balance Sheet of which was certified by other Chartered Accountants) and have obtained all the information and explanations which we have required; and we report that, in our opinion, subject to the final determination of the liability for Excess Profits Taxes, the above Consolidated Balance Sheet at December 31, 1941, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of The Foundation Company of Canada Limited and its Wholly Owned Canadian Subsidiary Companies, according to the best of our information and the explanations given to us and as shown by the books of the Companies examined by us and the certified accounts above mentioned.

In accordance with Section 114 of the Companies Act, 1934, we also report that the Companies' proportion of the aggregate of the profits less losses of subsidiary companies for the year 1941 has not been taken up in the above accounts except to the extent of a dividend declared out of such profits.

"PRICE, WATERHOUSE & CO.",
Auditors.

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND
EARNED SURPLUS, DECEMBER 31, 1941**

Operating Profit for the year ending December 31, 1941, before taking into account the items shown below.....	\$ 926,768.06
Add:	
Profit from Sale of Capital Assets (net)	\$ 18,067.78
Income from Investments	6,718.90
	<hr/>
	\$ 24,786.68
	<hr/>
Deduct:	
Executive Officers' Remuneration	\$ 89,288.40
Directors' Fees	6,230.32
Legal Expenses	462.48
Loss on Investments.....	750.00
Provision for Depreciation—	
Ordinary	\$ 198,983.93
Special	129,424.44
	<hr/>
	328,408.37
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	425,139.57
Net Profit before providing for Income and Excess Profits Taxes	\$ 526,415.17
Provision for Income and Excess Profits Taxes.....	305,000.00
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Net Profit for the year ending December 31, 1941.....	\$ 221,415.17
Earned Surplus, Balance December 31, 1940.....	\$1,015,194.71
Deduct: Dividends	105,750.00
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	909,444.71
Earned Surplus, Balance December 31, 1941	<hr/> <u>\$1,130,859.88</u>

PRESIDENT'S REPORT AS CONTAINED IN LAST ANNUAL STATEMENT

To The Shareholders of

Montreal, March 26th, 1942.

THE FOUNDATION COMPANY OF CANADA LIMITED :

The Annual Report for the year ending December 31st, 1941, together with certified balance sheet and Surplus account is submitted herewith.

It will be recalled that the last report submitted, i.e., that for the Period ending December 31st, 1940, was for a period of eight months only, the fiscal year of your Company having been changed in that year to correspond with the calendar year. Previously the fiscal year had ended April 30th. As a consequence, comparison of earnings for the period covered by this report with those for the previous period compare a full year's operations with a period of eight months only and they should be interpreted accordingly.

Operations show a net profit before Income and Excess Profits Taxes of \$526,415 as compared with \$258,786 for the previous period of eight months, or after provision for taxes, \$221,415 as compared with \$98,786. The item of \$305,000 provided in the Profit and Loss statement for Income and Excess Profits Taxes is an arbitrary amount, considered adequate but nevertheless subject to final determination by the Income Tax Department.

Net current Assets as of December 31st, 1941, are \$660,882 as compared with \$649,425 at the close of the previous fiscal year. Your Company has paid dividends during the year on its outstanding Capital stock aggregating \$1.25 per share. Earned Surplus as of December 31st, 1941, stands at \$1,130,860 as compared with \$1,015,195 as of December 31st, 1940.

There has been little change during the year in your Company's investment in construction plant and equipment, but a net increase before depreciation of approximately \$230,000 in marine equipment. This represents additions considered necessary to maintain the standard of the tug boat and salvage service offered by your Company.

The item of land and buildings shows an increase of \$129,318, being the cost of additional machine shop and stores accommodation at Halifax together with minor improvements at Dorval.

Depreciation has been written off your Company's buildings and equipment in general in accordance with its usual policy. Certain Capital expenditures made in connection with war services have, however, been subject to special rates of depreciation under rulings of the Income Tax Department and orders of the War Contracts Depreciation Board.

The period under review has been one of great activity in all branches of your Company's business, virtually all of which has been directly connected with the war effort of the United Nations. Your Company has had a leading part in the vast construction programme undertaken to increase the supply of the two principal light weight metals, viz., aluminum and magnesium, and has been entrusted with important contracts in the hydro-electric field. Your company completed and put into service in 1941 the Ile Juillet Dam for Beauharnois Light Heat and Power Company which is of unusual interest as being the first dam to have ever been built across the St. Lawrence River.

Your Directors take this opportunity of thanking the members of the staff for their loyal co-operation and unfailing efforts during the past year.

"R. E. CHADWICK",
President.



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